

EXHIBIT 1



Entered on Docket
June 29, 2007

A handwritten signature in dark ink, appearing to read "Linda B. Riegle".

Hon. Linda B. Riegle
United States Bankruptcy Judge

LEWIS AND ROCA LLP

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Attorneys for USACM Liquidating Trust

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:)
)
USA COMMERCIAL MORTGAGE)
COMPANY,)
)
USA CAPITAL REALTY ADVISORS,)
LLC,)
)
USA CAPITAL DIVERSIFIED TRUST)
DEED FUND, LLC,)
)
USA CAPITAL FIRST TRUST DEED)
FUND, LLC,)
)
USA SECURITIES, LLC,)
Debtors.)

Case No. BK-S-06-10725-LBR
Case No. BK-S-06-10726-LBR
Case No. BK-S-06-10727-LBR
Case No. BK-S-06-10728-LBR
Case No. BK-S-06-10729-LBR

CHAPTER 11

Jointly Administered Under Case No. BK-S-06-10725 LBR

Date: April 26, 2007
Time: 9:30 a.m

Affecting:

☐ All Cases

or Only:

☒ USA Commercial Mortgage Company

☐ USA Capital Realty Advisors, LLC

☐ USA Capital Diversified Trust Deed Fund, LLC

☐ USA Capital First Trust Deed Fund, LLC

☐ USA Securities, LLC

**ORDER SUSTAINING SECOND OMNIBUS OBJECTION OF THE USACM
LIQUIDATING TRUST TO CLAIMS ASSERTING PRIORITY STATUS**

The USACM Liquidating Trust (the "USACM Trust") filed its Second Omnibus Objection to Claims Asserting Priority Status [DE 3259] (the "Objection") on March 23, 2007. Appropriate notice of the Objection was given. Responses to the Objection were filed with this Court as follows:

- Response filed by Larry L. and Patsy R. Rieger Revocable Trust [DE 3489] pertaining to Claim No. 10725-01739. A separate motion or stipulation will be filed pertaining to this claim.
- Response filed by Bobbie Marrs [DE 3507] pertaining to Claim Nos. 10725-00444 and 10725-00445. A separate stipulation or motion will be filed pertaining to these claims.
- Response filed by Joanne and Erna Grundman [DE 3480 and DE 3481] pertaining to Claim Nos. 10725-01542 and 10725-01544. A separate stipulation or motion will be filed pertaining to these claims.
- Informal response filed by counsel for Lerin Hills, Ltd. pertaining to Claim No. 10725-01279. Counsel have agreed to continue this hearing until June 15, 2007.

No other responses were filed with this Court. The Objection came before the Court for hearing on April 26, 2007 at 9:30 a.m. Good cause appearing, it is

ORDERED:

- Sustaining the USACM Trust's Second Omnibus Objection to Claims Asserting Priority Status listed on Exhibit A attached;
- Reclassifying the Proofs of Claim listed on Exhibit A attached as general unsecured claims; and

• Reserving the right of any party in interest, including the USACM Trust, to further object to any and all claims listed on Exhibit A attached as unsecured claims or otherwise, whether or not the subject of this Objection.

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PREPARED AND SUBMITTED:

LEWIS AND ROCA LLP

By: /s/ RC (#0006593)
Susan M. Freeman
Rob Charles
Attorneys for USACM Liquidating Trust

APPROVED/DISAPPROVED

Larry L. Rieger

APPROVED/DISAPPROVED

Joanne Grundman
Joanne Grundman

APPROVED/DISAPPROVED

Bobbie Marrs

APPROVED/DISAPPROVED

Patsy R. Rieger

APPROVED/DISAPPROVED

Erna Grundman

APPROVED/DISAPPROVED

KEHOE & ASSOCIATES

By: Ty E. Kehoe
Attorneys for Lerin Hills, Ltd.

• Reserving the right of any party in interest, including the USACM Trust, to further object to any and all claims listed on Exhibit A attached as unsecured claims or otherwise, whether or not the subject of this Objection.

###

PREPARED AND SUBMITTED:

LEWIS AND ROCA LLP

By: /s/ RC (#0006593)
Susan M. Freeman
Rob Charles
Attorneys for USACM Liquidating Trust

APPROVED/DISAPPROVED

Larry L. Rieger

APPROVED/DISAPPROVED

Joanne Grundman


APPROVED/DISAPPROVED

Bobbie Marrs

APPROVED/DISAPPROVED

Patsy R. Rieger

APPROVED/DISAPPROVED


Erna Grundman

APPROVED/DISAPPROVED

KEHOE & ASSOCIATES

By: Ty E. Kehoe
Attorneys for Lerin Hills, Ltd.

- Reserving the right of any party in interest, including the USACM Trust, to further object to any and all claims listed on Exhibit A attached as unsecured claims or otherwise, whether or not the subject of this Objection.

###

PREPARED AND SUBMITTED:

LEWIS AND ROCA LLP

By: /s/ RC (#0006593)
Susan M. Freeman
Rob Charles
Attorneys for USACM Liquidating Trust

APPROVED/DISAPPROVED

APPROVED/DISAPPROVED

Larry L. Rieger

Patsy R. Rieger

APPROVED/DISAPPROVED

APPROVED/DISAPPROVED

Joanne Grundman

Erna Grundman

APPROVED/DISAPPROVED

APPROVED/DISAPPROVED

KEHOE & ASSOCIATES

Bobbie Marrs

By: Ty E. Kehoe
Ty E. Kehoe
Attorneys for Lerin Hills, Ltd.

CERTIFICATION OF COUNSEL PURSUANT TO LOCAL RULE 9021

In accordance with Local Rule 9021, the undersigned certifies:

- ☐ The Court waived the requirements of LR 9021.
- ☐ I have delivered a copy of this proposed order to all attorneys and unrepresented parties who have appeared at the hearing regarding this matter and/or who filed a written objection and each has:
 - ☒ approved the form of this order (Joann Grundman; Erna Grundman; Ty E. Kehoe);
 - ☐ waived the right to review the order;
 - ☐ failed to file and serve papers in accordance with LR 9021(c); and/or
 - ☒ failed to sign and return this proposed order within five (5) business days in accordance with LR 9021(b) (Larry L. Rieger; Patsy R. Rieger; Bobbie Marrs) .
- ☐ I have delivered a copy of this proposed order to all attorneys and unrepresented parties who appeared at the hearing regarding this matter and/or who filed a written objection and all have either approved the form of this order, waived the right to review the order, failed to file and serve papers in accordance with LR 9021(c) and the following have disapproved the form of the order:
- ☐ No opposition was filed to the motion and no other party or counsel appeared at the hearing (none required).

LEWIS AND ROCA LLP

By: /s/ RC (#0006593)
Susan M. Freeman
Rob Charles
Attorneys for USACM Liquidating Trust

Exhibit A
USA COMMERCIAL MORTGAGE

2nd Objection to Claimants Asserting Priority Status - Reclassify as General Unsecured Claims

	Claimant	Proof of Claim		Date Claim		Proof of Claim		Proof of Claim		Proposed Treatment/Comments
		Number	Filed	Amount	Priority Asserted	Objection				
1	Fine, Lewis H & Arlene J Po Box 487 Oaklev, UT 84055-0487	10725-01536	12/4/2006	\$108,266.64	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
2	Fine, Lewis H & Arlene J Po Box 487 Oaklev, UT 84055-0487	10725-01534	12/4/2006	\$40,089.59	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
3	Fine, Lewis H & Arlene J Po Box 487 Oaklev, UT 84055-0487	10725-01537	12/4/2006	\$4,583.35	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
4	Fine IRA, Lewis H & Arlene J C/O First Trust Of Onaga Ks Po Box 487 Oaklev, UT 84055-0487	10725-01533	12/4/2006	\$44,253.44	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
5	Fine IRA, Lewis H & Arlene J C/O First Trust Of Onaga Ks Po Box 487 Oaklev, UT 84055-0487	10725-01535	12/4/2006	\$151,909.69	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
6	Fossati, David C/O Martin P Meyers 1000 Sw Broadway #1400 Portland. Or 97205	10725-00898	11/1/2006	\$57,609.00	U P, S - undetermined	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
7	Fossati, David C/O Martin P Meyers 1000 Sw Broadway Ste 1400 Portland. OR 97205	10725-00106	8/10/2006	Unknown	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.				
8	Fuller, David & Monica 955 Mullen Henderson. NV 89044	10725-01231	11/9/2006	\$215,404.36	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.				

2nd Objection to Claims
Asserting Priority Status

EXHIBIT A

9	Hansen Ira, Herbert Po Box 841217 Dallas, Tx 75284-1217	10725-00490	10/6/2006	\$49,287.29	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
10	Hefner, Stephen R 10329 Evening Promrose Ave Las Vegas, NV 89135-2801	10725-00535	10/10/2006	Blank	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
11	Huff, Gail L 3578 April Springs St Las Vegas, NV 89147-7720	10725-00771	10/27/2006	Blank	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
12	Gish Family Trust Dtd 6/25/89 George J & Deanna K Gish Ttees 2104 Red Dawn Sky St Las Vegas, NV 89134-5538	10725-00387	10/2/2006	\$54,500.00	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
13	Gordon, Marx 2620 Western Ave Las Vegas, NV 89109-1112	10725-01709	12/11/2006	\$115,000.00	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
14	Graham Family Trust Dtd 10/26/78 Robin B & Celia Allen Graham Ttees 1460 Twinridge Rd Santa Barbara, CA 93111-1223	10725-00496	10/9/2006	\$49,672.48	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
15	Gralinski, Richard 7825 Geyser Hill Ln Las Vegas, NV 89147	10725-00249	9/26/2006	\$2,702.18	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
16	Grundman, Erna 1608 Brown St Carson City, NV 89701	10725-01542	12/6/2006	\$17,911.11	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
17	Grundman, Joanne 1608 Brown St Carson City, NV 89701	10725-01544	12/6/2006	\$54,818.09	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
18	Hill, Robert W 4900 San Timoteo Ave Nw Albuquerque, NM 87114-3813	10725-00356	10/2/2006	\$800.39	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.

2nd Objection to Claims
Asserting Priority Status

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19	Houghton Dental Corp Psp F/B/O Geraldine Houghton 2871 Pinta Perris. CA 92571	10725-01257	11/9/2006	\$400,000.00	S P, U -- Unknown	Claim is not entitled to priority status and should be classified as a general unsecured claim.
20	John W Brouwers Md Sep Ira 2333 Dolphin Ct Henderson, NV 89074-5320	10725-00806	10/30/2006	\$163,611.11	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
21	Johnson, Tamara 310 Parkhurst Dr Caldwell. Id 83605	10725-00277	9/27/2006	\$40,000.00	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
22	Kenneth Addes IRA 100 W Broadway Apt 7V Long Beach. NY 11561-4019	10725-01620	12/8/2006	\$113,416.64	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
23	Kiven, Norman Andrew J. Abrams ESQ Sugar Friedberg & Felsenthal LLP 30 N LaSalle St. Ste 3000 Chicago. IL 60602	10725-01478	11/15/2006	\$48,248.00	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
24	Larry L & Patey R Rieger Revocable Tr Dtd 8/14/91 Larry L & Patey R Rieger Trustees 2616 Glen Eagles Dr Reno. Nv 89523-2080	10725-01739	12/11/2006	\$292,852.00	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
25	Lawson, Paula M Po Box 18652 Reno. NV 89511-0652	10725-01117	11/8/2006	\$45,110.52	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
26	Lee, Devin 7493 Big Cottonwood Ct. Las Vegas. NV 89123	10725-00943	11/2/2006	Blank	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
27	Leff-Kaplan, Renee 4330 Romero Drive Tarzana. CA 91356	10725-00618	10/17/2006	\$60,000.00	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
28	Lerin-Hille Ltd 4820 Bacon Rd San Antonio. TX 78249-4001	10725-01279	11/10/2006	\$2,054,409.02	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.

2nd Objection to Claims
Asserting Priority Status

EXHIBIT A

29	Luongo, John M & Gloria 965 Leah Cir Reno, NV 89511-8524	10725-02158	1/12/2007	\$28,804.73	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
30	Morre-IRA, Bobbie 5753-Bedrock Springs Ave Las Vegas, NV 89131-3933	10725-00445	10/5/2006	\$63,139.45	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
31	Morre, Bobbie 5753-Bedrock Springs Ave Las Vegas, NV 89131	10725-00444	10/5/2006	\$131,278.90	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
32	Martin, Jerrold T & James T 8423 Paso Robles Northridge, CA 91325	10725-00320	9/29/2006	\$2,630.83	S, P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
33	Milton P. Kaplan Profit Sharing Plan Dated 10/1/77 Milton P. Kaplan, Md, Ttee 18370 Burbank Blvd., Ste. 501 Torrance, CA 91356	10725-00642	10/19/2006	\$12,951.80	P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
34	Morgan IRA, Rosalie A 6869 Eagle Wing Dr Sparks, NV 89436-8496	10725-01512	11/29/2006	\$126,910.00	S, P, U	Claim is not entitled to priority status and should be classified as a general unsecured claim.
35	Musso Living Trust Dtd 11/30/92 C/O Walter & Barbara Musso Ttees P o Box 2566 2535 Lupine Canyon Rd Avila Beach, CA 93424-2566	10725-00303	9/29/2006	\$35,426.83	P	Claim is not entitled to priority status and should be classified as a general unsecured claim.
36	Noxon Family Trust The C/O Arthur G & Joan Noxon Ttees 2657 Windmill Pkwy #197 Henderson, NV 89074-3384	10725-00972	11/3/2006	\$35,426.83	P, S	Claim is not entitled to priority status and should be classified as a general unsecured claim.